

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Agriculture & cooperation – Horticulture – Implementation of Coconut Palm Insurance Scheme with 50% assistance of Coconut Development Board- Approval of the scheme during 2011-12- Orders – Issued.

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**AGRICULTURE AND COOPERATION [HORT] DEPARTMENT**

G.O.Ms No. 306

Dated: 27/12 /2011  
Read the following:

1. G.O.Ms.No.51, Agri & Coop(Hort.) Dept., dt.30.03.2011.
2. From the COH, Hyderabad, Lr.No.Fruits/38/2009, dt. 19.04.2011
3. From the COH, A.P., Hyd, Lr.No.Fruits/38/2009, dt.16.08.2011.

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**ORDER:**

In the G.O.1<sup>st</sup> read above, Orders were issued permitting the Commissioner of Horticulture, Hyderabad for implementing the Coconut Palm Insurance Scheme in East and West Godavari Districts in the State during the year 2010-11 in an area of 5200 ha sharing 50% share by Coconut Development Board, GOI, 25% share by the State Govt. and 25% Farmers Contribution to be paid by themselves strictly following the guidelines of the CDB and Agriculture Insurance Company of India Limited, Hyderabad.

2. In the reference 2<sup>nd</sup> read above, the Commissioner of Horticulture, Hyderabad has reported that, the G.O 1<sup>st</sup> read above, have been received by him at the fag end of the year 2010-11 therefore, the matching share of Rs.9.327 lakhs cannot be sanctioned and released by Government.

3. The Commissioner of Horticulture, AP, Hyderabad, has also reported that, the Agriculture Insurance Company of India Limited has requested to do needful for the amendment of the G.O for implementing the scheme in the entire State of Andhra Pradesh without restricting to East and West Godavari Districts as the CDB has permitted to extend the Coconut Palm Insurance scheme in the entire State of Andhra Pradesh without escalating in the Physical and Financial targets.

4. The COH, A.P., Hyderabad also requested to revalidate the G.O for implementation of “Coconut Palm Insurance Scheme” during 2011-12, duly making necessary amendment as “Coconut Palm Insurance Scheme will be implemented in the entire Andhra Pradesh without restricting the implementation of the scheme in East and West Godavari Districts”.

5. In the reference 3<sup>rd</sup> read above, the Commissioner of Horticulture, Hyderabad has stated that, the CDB has informed that the Ministry of Agriculture, Government of India has approved the continuation of Coconut Palm Insurance Scheme on pilot basis for implementation during the year 2011-12 on the same provision/terms and conditions and communicated the revised physical and Financial Target for 2011-12 is restricted to Rs.2.50 lakhs State share instead of Rs.9.327 lakhs and the physical target is 1399 ha. instead of 5200 ha and requested for administrative approval of the State Government.

**The main features of the scheme is as follows:**

**Objectives:**

- i) Assist coconut growers in insuring coconut palms, against natural and other perils.
- ii) Provide timely relief to farmers, who suffer income loss due to sudden death of palms.
- iii) Minimize risk and encourage replanting and rejuvenation to make coconut - farming remuneration.

(P.T.O)

**Applicability:**

- a. The insurance scheme is applicable to all healthy nuts bearing coconut palms; grown as mono or intercropped; on bunds farms or homestead.
- b. To all varieties of coconut, including Tall, Dwarf and Hybrids with age group of 4-60 years will be covered under the scheme.
- c. Tall variety coconut palms will be eligible for coverage for age range of 7-60 years.
- d. Un healthy and senile palms will be excluded from coverage.

**Eligibility Criteria:**

Individual farmer / grower offering at least 10 healthy nut bearing palms for insurance in specified age group (4-60 years for dwarf, hybrid and 7-60 years for tall) in contiguous area / plot will be eligible for insurance.

**Scope of cover:**

Insurance coverage is from 4th/7th year to 60th year and split into two age groups i.e. 4-15 years and 16-60 years, for fixing premium and sum insured.

**Risks covered:**

- The scheme covers following perils leading to death/loss of palm or palm becoming unproductive:
- i) Storm, hailstorm, cyclone, typhoon, tornado, heavy rains.
  - ii) Flood and inundation.
  - iii) Pest and diseases of widespread nature causing, irreparable damages to palm.
  - iv) Accidental fire, including forest fire and bush fire lightening.
  - v) Earth quake, landslide and tsunami
  - vi) Severe drought and consequential total loss.

**Financial implications:**

Year	Physical Target (No.of palms in Lakhs)	Physical Target in Ha.	CDB share of premium (50%)(Rs.in lakhs)	State' s share of premium (25%) (Rs.in lakhs)	Farmer's contribution towards premium(25%) (Rs.in lakhs)	Total ( Rs. In lakhs)
2011-12	1.82	1399	5.00	2.50	2.50	10.00

**Sum insured and premium:**

Coconut palm age in years	Sum insured per palm (Rs)	Premium per palm / year(Rs)	Premium per palm (with service tax @ 10.30%)
4 <sup>th</sup> -15 <sup>th</sup>	600	4.25	4.69
16 <sup>th</sup> -60 <sup>th</sup>	1150	5.75	6.35

**Premium subsidy pattern:**

- 50% Coconut Development Board
- 25% State Government
- 25% Farmers share

**Insurance Term: Annual policies.**

The procedure of insuring the palms, assessment of damage, claim assessment and settlement procedure and other issues shall be as per the operational modalities given by Agriculture Insurance Company of India Ltd

**Role of State Government as per scheme:**

- Wide publicity to the scheme.
- Motivation of farmers to enroll under the scheme.
- Assessment of extent of damage.

6. Government after careful examination of the proposal hereby accord permission to the Commissioner of Horticulture, AP, Hyderabad for implementation of Coconut Palm Insurance Scheme in the entire State of Andhra Pradesh with 50% (Rs.5.00 lakhs) assistance by CDB, 25% (Rs.2.50 lakhs) by State Government share and 25% by farmers (Rs.2.50 lakhs) in an area of 1399 ha. instead of 5200 ha. earlier proposed during the year 2011-12, in supersession of the earlier orders issued in G.O.Ms.51, A&C (Horti) Dept., dt.30.03.2011, strictly following the guidelines of Coconut Development Board.

7. Government have agreed to the above proposal in principle for the year 2011-12 subject to condition that the share of farmers contribution to be paid by farmers themselves.

8. The Commissioner of Horticulture, Hyderabad shall take further necessary action in the matter.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**Dr.C.V.S.K.SARMA  
APC & PRINCIPAL SECRETARY TO GOVERNMENT**

To  
The Commissioner of Horticulture, Hyderabad.  
Copy to the Coconut Development Board, Kochi, Government of India.  
Copy to PS to Addl Secy. to Chief Minister  
Copy to PS to M[Horticulture & Sericulture]  
Copy to Finance [EAC] Department.  
Copy to AIC.  
Sf/sc.

//Forwarded by order//

SECTION OFFICER